

Montgomery's midyear budget shortfall worsens

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Montgomery County has brought in \$21.6 million less in income taxes than expected so far this fiscal year,

which will force officials to make a series of new cuts in a historically lean budget year.

Coupled with voters' rejection of the suburb's ambulance fee, the county is facing a midyear shortfall of roughly \$35 million.

"The only thing you can do pretty much is make more cuts," said Councilman Marc Elrich, D-at large. "There isn't going to be any happy plan."

County Executive Ike Leggett, in coming weeks, will release a series of suggested cuts to fill the growing gap. Officials say they expect all departments to be hit, including schools.

Even before the tax returns, Leggett warned that the lack of an ambulance fee and an expected surge in state spending requirements would force officials to identify reductions beyond those he planned for public safety departments. Leggett proposed pink slips for 87 firefighters and the elimination of all school resource officers.

Next fiscal year doesn't look any better.

In late September, executive officials estimated a \$145 million budget gap for fiscal 2012. Now, Leggett says the shortfall is closer to \$200 million.

The county already closed a \$1 billion budget shortfall this year.

Councilman Phil Andrews, D-Gaithersburg/Rockville, had hoped for more tax revenue but said officials can find other cuts before laying off public safety officials.

"I'm confident the county isn't going to lay off firefighters," he said.

However, Council President Nancy Floreen wasn't so confident, saying the new projections "left everything on the table."

Andrews said council members should look at leaving more positions unfilled and cracking down on overtime spending. He also said school officials should expect to reduce services, as they account for more than half of the suburb's operating budget.

But school officials have said they will need more money, as they expect their state-required funding commitment to grow by \$13.5 million.

"Our problem is far greater than we knew before," Floreen said.